

FRIDAY, JUNE 14, 2024

UT LAW | CLE

 **TEXAS Law**
The University of Texas at Austin
School of Law

PREPARING YOUR INSTITUTION TODAY FOR TOMORROW'S AUDITS

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Notice

The following information is not intended to be “written advice concerning one or more Federal tax matters” subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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Agenda

Preparing for an exam

Clues from the IRS, known recent exam matters, and what may be coming next

Know your organization and bolster documentation before the IRS arrives

IRS audit process

Tips and tricks for smooth IRS examinations

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Clues from the IRS, known recent exam matters, and what may be coming next

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Inflation Reduction Act—IRS appropriations

- The Act specifically designates the increase in IRS appropriations to be used as follows:
 - **\$45.6 billion** for tax enforcement activities, including determining and collecting taxes, providing legal and litigation support, conducting criminal investigations, providing digital asset monitoring and compliance activities, enforcing criminal statutes for violations of internal revenue laws and other financial crimes;
 - **\$3.2 billion** for taxpayer services, including pre-filing assistance and education, filing and account services, and taxpayer advocacy services;
 - **\$25.3 billion** for necessary expenses to support taxpayer service and enforcement programs, including facilities services; headquarters and other IRS-wide administration activities; telecommunications; and information technology development, enhancement, operations, maintenance, and security; and
 - **\$4.75 billion** in additional funding would provide for business systems modernization, including development of callback technology and other technology to provide a more personalized customer service (but not including the operation and maintenance of legacy systems).

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IRA strategic operating plan—Released April 6, 2023

- The Plan sets out five broad objectives the IRS would like to achieve with the funding provided by the IRA; objectives align to the four funding items in the statutory language of the IRA (Taxpayer Services, Enforcement, Operations Support, and Business Modernization):
 - **Objective 1:** Dramatically improve services to help taxpayers meet their obligations and receive the tax incentives for which they are eligible
 - **Objective 2:** Quickly resolve taxpayer issues when they arise
 - **Objective 3:** Focus expanded enforcement on taxpayers with complex tax filings and high-dollar noncompliance to address the tax gap
 - **Objective 4:** Deliver cutting-edge technology, data, and analytics to operate more effectively
 - **Objective 5:** Attract, retain, and empower a highly skilled, diverse workforce and develop a culture that is better equipped to deliver results for taxpayers

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